(573) 751-2020 / (800) 392-8660

James Klahr Executive Director

August 17, 2016

Erika Jaques We Deserve Better, Inc. PO Box 190201 St. Louis MO 63119

Re: File No. 16-0058-I

Dear Ms. Jaques:

The Missouri Ethics Commission considered the complaint filed against you and We Deserve Better, Inc. at its August 12, 2016 meeting. The Commission reviewed the allegation that you should have registered with the Commission as a campaign committee instead of a continuing committee and that, because the committee did not correctly form as a campaign committee, it was able to avoid filing certain reports that it would have been required to file had it correctly formed as a campaign committee.

Staff review determined that We Deserve Better, Inc. registered as a continuing committee with the Commission on April 12, 2016. In its Statement of Committee Organization, it listed that it was opposed to "Tobacco Tax" on the November 8, 2016 statewide ballot. At the time it registered, a number of initiative petitions had been filed with the Secretary of State to put a proposed increase in the tobacco sales tax before Missouri voters.

Had We Deserve Better, Inc. chosen to register as a campaign committee, Section 130.046.2(1) would require the committee to "... file an initial disclosure report fifteen days after the committee begins the process of raising or spending money." Continuing committees are exempt from this filing requirement.

We Deserve Better, Inc., though it specifically listed that it was opposing the tobacco tax on the November 8, 2016 statewide ballot, is still able to register as a continuing committee under Section 130.011(10), RSMo:

"Continuing committee", a committee of continuing existence which is not formed, controlled or directed by a candidate, and is a committee other than a candidate committee or campaign committee, whose primary or incidental purpose is to receive contributions or make expenditures to influence or attempt to influence the action of voters whether or not a particular candidate or candidates or a particular ballot measure or measures has been determined at the time the committee is required to file any statement or report pursuant to the provisions of this chapter. . . . Such committee shall be formed no later than sixty days prior to the election for which the committee receives contributions or makes expenditures.

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MISSOURI ETHICS COMMISSION

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Staff review determined that We Deserve Better, Inc., properly registered with the Commission as a continuing committee. Its Statement of Committee Organization indicates its purpose is to influence the action of voters regarding the upcoming ballot measure on the tobacco tax. It registered more than sixty days before the November 8, 2016 election as required under the definition of "continuing committee". On July 15, 2016 it filed its July Quarterly Report showing its contributions received and expenditures made. That reports includes a Direct Expenditure Report which shows its total expenditures in opposition to Initiative Petition 2016-152 related to a proposed tobacco tax for the upcoming November 8, 2016 election. As a continuing committee, it was not required to file a "15 Day Report" within 15 days of the time it started to raise or spend money.

From the facts presented, the Commission finds no reasonable grounds exist to support a violation of the campaign finance laws pursuant to Chapter 130, RSMo, and is dismissing the complaint.

Sincerely,

James Klahr

Executive Director

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